

P O. Box 421  
Eureka, Utah 84628  
(801) 433-6804  
FAX (801) 433-6803



## North Lily Mining Company

November 13, 1991

State of Utah - Dept. of Natural Resources  
Division of Oil, Gas, and Mining  
355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203

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NOV 14 1991

DIVISION OF  
OIL GAS & MINING

Attention: Wayne Hedberg, P.E.  
Subject: Amendment to existing notice

Dear Mr. Hedberg:

North Lily Mining Company (NLMC) is continuing in its efforts to extend the life of its Tintic Operation, near Eureka Utah, by testing old mine dumps in the historic Tintic and East Tintic Mining Districts. Several dumps have been identified and it is believed can be upgraded by screening. Test results indicate that most of the precious metal values are contained in the fines. It is proposed the oversized material be stockpiled at the mine dump site and that the fines be transported to NLMC heap leach operation at Silver City. The stockpiled coarse material will be graded and vegetated as outlined in the original application.

The dumps that have been identified are described in the application of amendment notice enclosed.

Sincerely,

Paul C. Spor  
General Manager

PCS/dp  
enclosures

FOR DIVISION USE ONLY:

File #: EXP 1023/038  
Date Received: / /  
Date Approved: / /  
DOGM Lead: \_\_\_\_\_

Amendment to existing

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING  
355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203  
Telephone: (801) 538-5340

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DIVISION OF  
OIL GAS & MINING

NOTICE OF INTENTION TO CONDUCT EXPLORATION

The Informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated, 1953, as amended, and the General Rules as promulgated under the Utah Minerals Regulatory Program.

PLEASE NOTE: All information provided in this Notice of Intention shall be protected as confidential information by the Division. If extra space is required to completely answer any section, please attach additional sheets and include cross-referenced page numbers as necessary. The operator may submit this information on an alternate form, but the same or similar format and content must be used.

"Exploration" means surface disturbing activities conducted for the purpose of discovering a deposit or mineral deposit, delineating the boundaries of a deposit or mineral deposit, and identifying regions or specific areas in which deposits or mineral deposits are most likely to exist. "Exploration" includes, but is not limited to: sinking shafts; tunneling; drilling holes and digging pits or cuts; building of roads, and other access ways and constructing and operating other facilities related to these activities.

I. GENERAL INFORMATION (Rule R613-002-104)

1. Project Name: Tintic Project

2. Operator:

Name: North Lily Mining Company

Address: P.O. Box 421, Eureka, UT 84628

Phone: 801 433 6804

3. Operator's Representative:

Name: Paul C. Spor  
Address: P.O. Box 421, Eureka, UT 84628  
Phone: 801 433 6804

4. Project Location:

County(ies): See Appendix A  
1/4, 1/4: \_\_\_\_\_ Section: \_\_\_\_\_ Township: \_\_\_\_\_ Range: \_\_\_\_\_  
1/4, 1/4: \_\_\_\_\_ Section: \_\_\_\_\_ Township: \_\_\_\_\_ Range: \_\_\_\_\_  
1/4, 1/4: \_\_\_\_\_ Section: \_\_\_\_\_ Township: \_\_\_\_\_ Range: \_\_\_\_\_

5. Ownership of the land surface: Private (Fee), Public Domain (BLM),  
National Forest (USFS), State of Utah or other:

See Appendix A

Name: \_\_\_\_\_ Address: \_\_\_\_\_  
Name: \_\_\_\_\_ Address: \_\_\_\_\_  
Name: \_\_\_\_\_ Address: \_\_\_\_\_  
Name: \_\_\_\_\_ Address: \_\_\_\_\_

6. Owners of minerals within the land to be affected:

See Appendix A

Name: \_\_\_\_\_ Address: \_\_\_\_\_  
Name: \_\_\_\_\_ Address: \_\_\_\_\_  
Name: \_\_\_\_\_ Address: \_\_\_\_\_  
Name: \_\_\_\_\_ Address: \_\_\_\_\_

Utah Mining Claim Number(s) \_\_\_\_\_

Utah State Lease Number(s) \_\_\_\_\_

7. Have the above owners been notified in writing? Yes X No \_\_\_\_.  
If no, why not? \_\_\_\_\_

8. Does the operator have legal right to enter and conduct exploration  
on the land covered by this notice? Yes X No \_\_\_\_.

II. MAPS & DRAWINGS (Rule R613-002-105) See Appendix B

A topographic base map showing the location of the proposed exploration project must be submitted with this notice. A USGS 7.5 minute series map is preferred. The areas to be disturbed should be plotted in sufficient detail so that they can be located on the ground. It is recommended that the operator also plot and label any previous disturbances in the immediate vicinity that he is not responsible for.

III. PROJECT DESCRIPTION (Rule 613-002-106)

1. Minerals to be explored: Gold & Silver

2. Identify the type or method of exploration proposed (place an "X"):

☒ Cuts ☐ Pits ☒ Trenches ☐ Shafts ☐ Tunnels

☐ Air Drilling ☐ Fluid Drilling

☐ Other (describe) No work will be done below nature ground level - See Appendix A

3. Proposed Disturbances (Approximate): See Appendix A

Drill Pads: How many?        Width        (ft) Length        (ft)

Drill Holes: How many?        Depth        (ft) Diameter        (in)

Shafts, trenches, pits, cuts, or other types of disturbance.

Describe type, how many of each, and general dimensions.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

New Road(s): Length        (ft) Width        (ft)

Length        (ft) Width        (ft)

Total project acreage to be disturbed        (acres)

4. Proposed exploration schedule (dates):

Begin: Jan 92 End: Sept 92

IV. OPERATION AND RECLAMATION PRACTICES (Rules R613-002-107, 108, and 109)

The exploration site is required to be kept in a clean and safe condition. Upon completion of exploration, the land is to be reclaimed to a useful condition with at least 70 percent of the original vegetative ground cover. To accomplish this, the operator will need to do the following work where applicable:

1. Keep the exploration site in a safe, clean, and environmentally stable condition.
2. Permanently seal all shafts and tunnels to prevent unauthorized or accidental entry.
3. Plug drill holes with a five foot cement surface plug. Holes that encounter fluids are to be plugged in the subsurface to prevent aquifer contamination.
4. Construct berms, fences, or barriers, when needed, above highwalls and excavations.
5. Remove, isolate, or neutralize all toxic materials in a manner compatible with federal and state regulations.
6. Remove all waste or debris from stream channels.
7. Dispose of any trash, scrap metal, wood, machinery, and buildings.
8. Conduct exploration activities so as to minimize erosion and control sediment.
9. Reclaim all roads that are not part of a permanent transportation system.
10. Stockpile topsoil and suitable overburden prior to making excavations.
11. Stabilize highwalls by backfilling or rounding to 45 degrees or less, where feasible; reshape the land to near its original contour, and redistribute the topsoil and suitable overburden.
12. Properly prepare seedbed to a depth of six inches by ripping, discing, or harrowing.
13. Reseed disturbed areas with adaptable species. The Division recommends seeding 20 lbs./acre of native and introduced species of grass, forb, and browse seed, and will provide a specific species list if requested.
14. Plant the seed with a rangeland or farm drill, or if broadcast seeded, harrow or rake the seed 1/4-1/2 inch into the soil - fall is the preferred time to seed. The Division recommends broadcast fertilization at the time of seeding of 200 lbs./acre of diammonium phosphate 18-46-0.

V. VARIANCE REQUEST (Rule R613-002-110) Yes 11 No 181

R613-002-107, Operation Practices; R613-002-108, Hole Plugging Requirements; and R613-002-109, Reclamation Practices are summarized on the preceding page. Any planned deviations from these rules should be identified below and justification given for the variance request(s).

<u>Item Number</u>	<u>Variance Request Justification</u>
_____	_____
_____	_____
_____	_____
_____	_____

VI. SURETY (Rule R613-002-111)

No. Completion of this section is not necessary for exploration projects that will disturb five or less surface acres.

Exploration projects that will disturb more than five acres at any given time are required to post a reclamation surety. The surety must be provided to the Division prior to commencement of operations. In calculating the surety amount, the Division will consider the following major steps:

- 1) Hole plugging
- 2) Backfilling, grading and contouring.
- 3) Soil material redistribution and stabilization.
- 4) Revegetation (preparation, seeding, mulching)

To assist the Division in determining a reasonable surety amount, please attach a reclamation cost estimate which addresses each of the above steps.

VII. SIGNATURE REQUIREMENT

I hereby commit to the reclamation of the aforementioned exploration project as required by the Utah Mined Land Reclamation Act (40-8) and the rules as specified by the Board of Oil, Gas and Mining.

Signature of Operator/Applicant: \_\_\_\_\_

Name (typed or print): \_\_\_\_\_

Title/Position (if applicable): \_\_\_\_\_

Date: \_\_\_\_\_



Paul C. Spor

General Manager

Nov. 13, 1991

## APPENDIX A

### I. GENERAL INFORMATION

#### 4. Project Location

County: Juab

	Dump Name	1/4 Section	Township	Range
A)	Eureka Hill Dump	S E 13	T 10 S	R 3 W
B)	Upper Mammoth Dump	N W 30	T 10 S	R 2 W
C)	North Star Dump	S E 30	T 10 S	R 2 W
D)	Unnamed Dump - <del>ENOS</del>	S E 30	T 10 S	R 2 W
E)	Eagle Dump	S W 18	T 10 S	R 2 W

County: Utah

F)	Iron Blossom #3 Dump	N W 29	T 10 S	R 2 W
G)	Colorado #1 Dump	S W 20	T 10 S	R 2 W
H)	Colorado #2 Dump	S W 20	T 10 S	R 2 W

.019  
grade

#### 5. Ownership of the land surface: Private - fee ground

A) Eureka Hill      Chief Consolidated Mining Company  
866 Second Avenue  
New York, New York 10017  
Attn: Leonard Weitz

and

Crown Resource and Centurion Mining  
1225 17th Street, Suite 1500  
Denver, Colorado 80202  
Attn: Mr. Christopher Herald

B) Upper Mammoth      Mammoth Mining Company  
2411 Crofton Lane, Suite 17 B  
Crofton, Maryland 24114  
Attn: Mr. Gregory Olsen

- C) North Star North Lily Mining Company  
1111 Bayhill Drive, Suite 210  
San Bruno, California 94066-0133  
Attn: Mr. Tom Crom
- D) Unnamed North Lily Mining Company  
1111 Bayhill Drive, Suite 210  
San Bruno, California 94066-0133  
Attn: Mr. Tom Crom
- E) Eagle Chief Consolidated Mining Company  
866 Second Avenue  
New York, New York 10017  
Attn: Mr. Leonard Weitz
- F) Iron Blossom #3 Sunshine Mining Company  
P.O. Box 250  
Eureka, Utah 84628  
Attn: Mr. Tim Hanafen
- G) Colorado #1 Sunshine Mining Company  
P.O. Box 250  
Eureka, Utah 84628  
Attn: Tim Hanafen
- H) Colorado #2 Sunshine Mining Company  
P.O. Box 250  
Eureka, Utah 84628  
Attn: Mr. Tim Hanafen

6) Owners of minerals within/on the land to be affected:

- A) Eureka Hill Chief Consolidated Mining Company  
866 Second Avenue  
New York, New York 10017  
Attn: Leonard Weitz

and

Crown Resource and Centurion Mining  
1225 17th Street, Suite 1500  
Denver, Colorado 80202  
Attn: Mr. Christopher Herald



- B) Upper Mammoth Mammoth Mining Company  
2411 Crofton Lane, Suite 17 B  
Crofton, Maryland 24114  
Attn: Mr. Gregory Olsen
- C) North Star North Lily Mining Company  
1111 Bayhill Drive, Suite 210  
San Bruno, California 94066-0133  
Attn: Mr. Tom Crom
- D) Unnamed North Lily Mining Company  
1111 Bayhill Drive, Suite 210  
San Bruno, California 94066-0133  
Attn: Mr. Tom Crom
- E) Eagle Chief Consolidated Mining Company  
866 Second Avenue  
New York, New York 10017  
Attn: Mr. Leonard Weitz
- F) Iron Blossom #3 Sunshine Mining Company  
P.O. Box 250  
Eureka, Utah 84628  
Attn: Mr. Tim Hanafen
- G) Colorado #1 Sunshine Mining Company  
P.O. Box 250  
Eureka, Utah 84628  
Attn: Tim Hanafen
- H) Colorado #2 Sunshine Mining Company  
P.O. Box 250  
Eureka, Utah 84628  
Attn: Mr. Tim Hanafen

Eureka Hill

## Utah Mining Claim Numbers

- |    |                 |   |
|----|-----------------|---|
| A) | Eureka Hill     | Eureka No. 39 and/or Card No. 175, Card No 388, portion of Bullion No. 76 and/or Card No. 238, Legal No. 132, Montana No. 40 and/or Card No. 407, Three Ply No.95 and/or Card No. 550 |
| B) | Upper Mammoth   | Harkness Lot 156 # 17770, First Northern Ext. Mammoth 38 Jenkins 93   |
| C) | North Star      | North Star 62 and West Star 235   |
| D) | Unnamed         | North Star 62 and California 245  |
| E) | Eagle           | Eagle # 123, No. Ext. Eagle 213 AM, Blue Bell # 124, and No. Ext. Bluebell # 212 AM   |
| F) | Iron Blossom #3 | Lucile # 5471   |
| G) | Colorado #1     | Colorado # 4120   |
| H) | Colorado #2     | Butte # 4420, and Red Bird # 4422   |

## II MAPS AND DRAWINGS

Enclosed with this application is a map of the Eureka Quadrangle 7.5 minutes series. The area of exploration is marked. Access in and out for the test will use existing old roads. Disturbance will be too small to detect on map.

## III PROJECT DESCRIPTION

2. Identify the type or method of exploration proposed.

Cuts and trenches will be made in existing dump. Material will be screened and hauled to facility. There will be no work below ground surface.

### 3. Proposed Disturbance

The purpose of this project is to recover the economic values in existing dumps in the Tintic and East Tintic Mining Districts. A screening plant will be set up beside the dumps that will be evaluated. The over-size rejected from these tests will be left in place. This test will leave the over-size material deposited on an already existing dump which is not presently vegetated, thereby not causing any further disturbance. Any topsoil disturbed will be stockpiled for use in reclamation when test is complete.

The fines from these dumps will be hauled to the Silver City Plant. This material will be loaded on the existing heap and leached for economic value.

There will be no new roads constructed as the areas are laced with existing roads. Several sections of the existing roads will be modified and used for access to the dumps.

Upon completion, the area disturbed will be reclaimed as specified in the North Lily Tintic Operation Permit M/023/007.

The projected acreage to be disturbed:

A)	Eureka Hill Dump	2.2	acres
B)	Upper Mammoth Dump	2.5	acres
C)	North Star Dump	1.3	acres
D)	Unnamed Dump - ENOS	0.5	acres
E)	Eagle Dump	3.4	acres
F)	Iron Blossom #3 Dump	1.2	acres
G)	Colorado #1 Dump	0.8	acres
H)	Colorado #2 Dump	0.9	acres



